

CENTRAL INTELLIGENCE AGENCY
CIA 4-48

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INITIAL DRAFT

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REVIEW OF THE WORLD SITUATION AS IT RELATES TO THE SECURITY OF THE UNITED STATES

SUMMARY

1. The vigor of Western reaction to the developments reviewed in our last report (CIA 3-43, 10 March) has probably surprised and possibly alarmed the Kremlin.

2. Recent threatening gestures on the part of the USSR are not a response to this reaction, but implementation of plans previously adopted (infra, p. 1).

3. It is still improbable that the USSR has any present intention of provoking war. Its most provocative conduct, that in Germany, is actually evidence that war is not intended (infra, p. 1).

4. If confronted with a certain prospect of Western European recovery and of US rearmament on a formidable scale, the Kremlin would reconsider its policy, weighing the alternatives of a general peace settlement or a preventive war.

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Its present margin of safety is such, however, that it would be under no compulsion to make so fateful a choice during 1948 and would probably defer a decision pending further development of the situation (*infra*, p.2).

5. The current Soviet purpose in Germany is to compel the Western Powers to withdraw from Berlin. To yield would be to accept a political defeat of the first magnitude with world-wide repercussions (*infra*, para. 7).

6. The political trend in Italy has been reversed by effective Western support of the anti-Communist parties (*infra*, para. 9).

7. Full scale civil war in Palestine is apparently inevitable (*infra*, para. 11).

8. An intensification of Communist diversionary activity in the Far East is to be anticipated (*infra*, para. 14).

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